
COMMONWEALTH OF VIRGINIA



OFFICE OF THE GOVERNOR

Executive Order No. 60 (2013)

Commission on Military Installations and Defense Activities

Importance of the Issue

The Commonwealth must address the impact that indiscriminant defense budget cuts due to sequestration will have on the economic well-being of the citizens and businesses of Virginia. The automatic sequestration defense and national security reductions mandated by the Budget Control Act of 2011 will have a significant adverse effect on the Commonwealth. These mandated reductions will have a potentially devastating impact in Virginia, with the Northern Virginia and Hampton Roads regions at the greatest risk. Additionally, the Department of Defense (DoD) has requested multiple rounds of Base Realignment and Closure (BRAC) in the President's budgets which they have asked to occur in 2015 and 2017. Therefore, Virginia must also take prompt action to address potential impacts of BRAC in Virginia.

Current actions contemplated by DoD as a result of the anticipated sequestration and defense budget cuts include terminating thousands of temporary civilian workers, reducing base operations by 30%, limiting supply purchases to essential FY13 consumption, restricting non mission-critical purchases, reviewing contracts and studies for possible cost savings, and canceling ongoing and scheduled studies that are not congressionally directed or mission-critical. Civilian pay makes up a large portion of the services' operating budget, and each service has been directed to consider the possibility of civilian furloughs of up to 30 calendar days or 22 discontinuous workdays. Many of these citizens are already hard hit by years of recession.

It is estimated that Virginia will potentially lose approximately 82,000 direct jobs at federal agencies and contractors and an additional 82,000 indirect jobs supported by business and personal spending that will be impacted by the cuts. Northern Virginia will likely absorb more than 60% of these losses, Hampton Roads approximately 20%, and metro-Richmond 12%.

Virginia must be vigilant in protecting the military assets located in the Commonwealth, and will

continuously seek new opportunities for economic diversification and growth. To this end, the Commonwealth will be proactive in identifying the appropriate strategies to retain the military and federal facilities located in the Commonwealth, to identify other operations and facilities that can be located within Virginia, and to address the best response to the anticipated mandated federal budget reductions contained in the Budget Control Act of 2011.

To accomplish this, in accordance with the authority vested in me by Article V of the Constitution of Virginia and by § 2.2-134 of the *Code of Virginia*, I hereby create Virginia's Commission on Military Installations and Defense Activities.

Composition of the Commission

The Commission will consist of the Secretaries of Commerce and Trade, Finance, Public Safety, and Veterans Affairs and Homeland Security, the co-chairs of the General Assembly Military and Veteran Caucus, and four (4) citizen members whose background shall include service as a General or Flag Officer in one of the military services to be appointed by the Governor and serve at his pleasure. Initial appointments of members to the Commission by the Governor will include 10 members. The Governor shall designate a Chairman from among the appointed members. The Governor may appoint additional persons to the Commission at his discretion.

Responsibilities of the Commission

The Commission's responsibilities shall include the following:

1. Evaluate data and studies in order to develop recommendations and plans regarding preventing closure or realignment of federal military and national security installations and facilities located in the Commonwealth and to relocate other such facilities here;
2. Develop and recommend strategies to prevent the closure or realignment of federal military installations located in Virginia or the relocation of national security facilities currently located here;
3. Develop and recommend strategies designed to limit the adverse economic effect of such realignment, closure, or relocation, or to seek additional tenant activity growth from the Department of Defense or federal government;
4. Develop and recommend strategies that support and foster collaboration among local and regional entities in identifying appropriate opportunities for the protection of existing federal facilities and the placement of additional federal facilities in the Commonwealth;
5. Determine and recommend the best and most efficient manner to foster and promote business, technology, transportation, education, economic development, and other efforts to support, attract, and retain existing military installations and commands in the Commonwealth;
6. Identify and track all federal government military and national security facilities located in the Commonwealth and their military construction plans and facilitate ways to assist in those plans;
7. Make recommendations, as appropriate, to prepare the Commonwealth to effectively compete in federal budget reductions through the sequestration process;

8. Support the Commonwealth's position in research and development related to or arising out of military missions and contracting;
9. Improve the Commonwealth's military-friendly environment for service members, military dependents, military retirees, and businesses that bring military and base-related jobs to the Commonwealth;
10. Advise contractors, where appropriate, in the development of analytical tools by which to obtain essential, critical information required about each Virginia military installation with input from local installation and community leadership;
11. Direct and review studies from experts that have utilized past Base Realignment and Closure criteria and scoring, conduct a thorough and detailed analysis of the military value of Virginia's military installations, ranges, and airspace for the purpose of formulating strategies to secure the long-term viability, retention, and growth of military missions and facilities;
12. Ensure that a risk assessment is properly conducted of each installation that can inform strategies to prepare for Department of Defense consolidation and realignment actions; and
13. Develop and implement strategies for new private sector growth in industries adversely affected by defense procurement and related cuts such as aerospace, cyber security, modeling and simulation, technology, consulting, and others.

Commission Staffing and Funding

Necessary staff support for the Commission's work during its existence shall be furnished by the Office of the Secretary of Veterans Affairs and Homeland Security and the Office of the Secretary of Commerce and Trade, and such other agencies and offices as designated by the Governor. An estimated 100 hours of staff time will be required to support the work of the Commission.

Necessary funding to support the Commission and its staff shall be provided from private contributions and state funds appropriated for the same purposes as the Commission, as authorized by § 2.2-135 of the *Code of Virginia*, as well as any other private sources of funding that may be identified. Estimated direct costs for this Commission are \$5,000.00.

Commission members shall serve without compensation and shall receive reimbursement for expenses incurred in the discharge of their official duties.

The Commission shall meet upon the call of the chairman and report at least quarterly to the Governor and shall issue such other reports and recommendations as necessary or as requested by the Governor.

Effective Date of the Executive Order:

Executive Order 22 is hereby rescinded, and this Executive Order shall be effective upon its signing and shall remain in force and effect until January 11, 2014, unless amended or rescinded by further executive order.

Given under my hand and under the Seal of the Commonwealth of Virginia, this 1st day of March, 2013.

/s/ Robert F. McDonnell, Governor

Attest:

/s/Janet V. Kelly, Secretary of the Commonwealth